LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 6146 DATE PREPARED: Feb 19, 1999 **BILL NUMBER:** SB 64 **BILL AMENDED:** Feb 9, 1999

SUBJECT: Weapons sales.

FISCAL ANALYST: Mark Bucherl PHONE NUMBER: 232-9869

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) This bill provides that confiscated handguns and similar weapons may be sold by a law enforcement authority at a public auction or to licensed firearms dealers only if the law enforcement agency determines that the handguns or similar weapons are generally regarded as collector's items or of significant or historical value.

Effective Date: July 1, 1999.

Explanation of State Expenditures: No state public safety agencies report weapon sales.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: This bill may potentially decrease the total revenue from firearm sales by police jurisdictions that auction confiscated weapons. Sales proceeds are deposited to each jurisdiction's officer training or education funds.

Several larger counties and municipal police agencies were contacted regarding the possible effect of this bill. Of those reporting, the majority of jurisdictions currently destroy confiscated weapons.

Beyond weapons of historical or collector's value, as used in this bill, the fiscal effect is likely to vary with each jurisdictions' interpretation of "significant value" of weapons. (Significant value, as interpreted by those responding, would refer to weapons whose resale worth was in the hundreds of dollars, avoiding the cheap, so-called "Saturday night special" weapons.) Of the 18 jurisdictions contacted, only three responded that they sell or would consider selling weapons. The Marion County sheriff averages about \$150,000 in sales annually and suggested that the fiscal impact of this bill would minimally reduce its sales. Harrison and Allen counties also reported minimal impact on sales (Harrison County reports only periodic weapon sales and

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Allen County has annual sales of about \$3,000). Elkhart County reported contemplating sales of long-barrel guns. Sources commented that most weapons sold at auction are stolen weapons "of more significant value." Relatively few weapons sold were said to be of historical or collector's value. The ultimate effect will vary based on jurisdiction and their reliance on weapons sales for training budgets.

State Agencies Affected:

Local Agencies Affected: Law enforcement agencies.

<u>Information Sources:</u> State Police; Indiana Sheriffs Association; County Sheriffs' Offices: Allen, Hamilton, Marion, Lake, Elkhart, Harrison, Johnson, LaPorte, Madison, Porter, St. Joseph; Municipal police agencies: Anderson, Carmel, Clarksville, E. Chicago, Ft. Wayne, Hammond, New Albany.

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